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Trustee reviews documents on Rewald-CIA tie

By Walter Wright

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Bankruptcy trustee Rey Gaulty has completed a six-hour review of the Bishop Baldwin Rewald Dillingham and Wong documents sealed at the request of the CIA.

Observers close to the case said Gaulty and his administrator, Thomas Hayes, apparently found little in the documents to change their view that the company's CIA link was minimal and greatly exaggerated by board chairman Ronald Rewald. Both men said they took no notes during their study of the material.

But their attorneys, Don Gelber and James Wagner, have yet to complete their examination of the documents. All four will confer on their conclusions when they are finished, Gaulty said.

Federal Judge Martin Pence, who has had access to all the material, said months ago that Rewald had an inflated view of the importance of his slight relationship with the CIA.

Rewald, facing state charges of theft and a continuing federal investigation, says he was a covert CIA agent, that the CIA set up and ran his company, and that the CIA was responsible for its collapse.

The CIA acknowledges a slight contact with Rewald, but denies forming or operating the company.

The CIA said the sealed documents contained information that, by itself or by inferences that could be drawn from it, would endanger national security.

Government attorneys made the documents available to the bankruptcy officials under the watchful eye of an FBI agent designated by the court to secure the materials.

Hayes said earlier that if the documents revealed the CIA was liable for any loss to the company, he would seek compensation from the government. He also said he would attempt to share with investors any information that suggested investors might have a claim against the agency.

More than 20 investors have joined Rewald himself in claiming the CIA was responsible for the collapse of the company and for their losses.